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March 15, 2007

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TWB-204
Washington, D.C. 20554

Dear Ms. Dortch:

RE: Ex Parte: In re: Application of GTE Corp., Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License, CC Docket No. 98-184

The enclosed materials are being filed pursuant to Verizon Communications Inc.'s ("Verizon") obligations under Appendix D, Section XXII, Paragraph 56(e) of the above referenced docket to obtain independent examinations of its compliance with the merger conditions and its controls over compliance with the merger conditions. The accompanying material includes:

- Independent Accountants' Report on the Effectiveness of Internal Control Over Compliance with the Specified Merger Conditions, as defined
- Report of Management on the Effectiveness of Controls over Compliance with Merger Conditions IV, VI, XII, XVII, XXI, XXII, XXIII, XXIV, XXV
- Independent Accountants' Report on Compliance with Specified Merger Conditions, as defined
- Report of Management on Compliance with Merger Conditions IV, VI, XII, XVII, XXI, XXII, XXIII, XXIV, XXV

Please place a copy of the attached independent accountants' reports in the Ex Parte file of the above referenced proceeding.

Very truly yours,

Deloitte & Touche LLP

Enclosures

cc: Mr. H. Boyle
Ms. H. DeNigro
Mr. P. Young
Ms. M. Scherer (Verizon Communications Inc.)

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INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors
Verizon Communications Inc.

We have examined the effectiveness of Verizon Communications Inc.'s (the "Company" or "Verizon") internal control over compliance with the following conditions set forth in Appendix D of the Federal Communications Commission's (the "FCC") Memorandum Opinion and Order in Common Carrier Docket No. 98-184[1] approving the Bell Atlantic/GTE Merger (the "Merger Order"):

> Condition IV, *Non-discriminatory Rollout of xDSL Services,* which terminated on June 30, 2006;
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> Condition XII, *Carrier-to-Carrier Promotions: Resale Discount,* which terminated on August 30, 2006;
>
> Condition XVII, *InterLATA Services Pricing,* which terminated on March 31, 2006; and
>
> Condition VI, *Uniform and Enhanced OSS and Advanced Services OSS,* Condition XXI, *Compliance Program,* Condition XXII, *Independent Auditor,* Condition XXIII, *Enforcement,* Condition XXIV, *Sunset,* and Condition XXV, *Effect of Conditions,* (the conditions described in this and the preceding three paragraphs above are collectively referred to as the "Specified Merger Conditions"),

for the period from January 1, 2006 through the earlier of the respective date of termination referenced above or December 31, 2006, based on the criteria for effective internal control over compliance established in the Merger Order. We also examined management's assertion included in the accompanying Report of Management on the Effectiveness of Controls Over Compliance with Specified Merger Conditions. Verizon management is responsible for maintaining effective internal control over compliance with the Merger Conditions, and its assertion thereon. Our responsibility is to express an opinion on the effectiveness of internal control over compliance with the Specified Merger Conditions based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included obtaining an understanding of the internal control over compliance with the Specified Merger Conditions, testing, and evaluating the design and operating effectiveness of the internal control and performing such other procedures as we

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[1] *Application of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, for Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License,* CC Docket No. 98-184, Memorandum Opinion and Order, FCC 00-221 (rel. June 16, 2000).

considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Because of inherent limitations in any internal control, noncompliance due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal control over compliance with the Specified Merger Conditions to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained effective internal control over compliance with the Specified Merger Conditions during the period from January 1, 2006 through the earlier of the respective termination date for each condition or requirement referenced above or December 31, 2006 based on the criteria established in the Merger Order.

This report is intended solely for the information and use of the management of the Company and the FCC and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

March 15, 2007

Robert Barish
Svp & Chief Financial Officer

verizon

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Report of Management on the Effectiveness of Controls over Compliance with Merger Conditions IV, VI, XII, XVII, XXI, XXII, XXIII, XXIV, XXV

March 15, 2007

Management of Verizon Communications Inc. ("Verizon" or the "Company[1]") is responsible for ensuring that Verizon complies with the conditions set forth in Appendix D ("the Merger Conditions") of the Federal Communications Commission's ("FCC's") Memorandum Opinion and Order in CC Docket No. 98-184 approving the Bell Atlantic/GTE Merger.[2] Management's assertions that follow relate to compliance with Condition IV (Non-Discriminatory Rollout of xDSL Services)[3], Condition VI (Uniform and Enhanced OSS and Advanced Services OSS), Condition XII (Carrier-to-Carrier Promotions: Resale Discount)[4], Condition XVII (InterLATA Services Pricing)[5], Condition XXI (Compliance Program), Condition XXII (Independent Auditor), Condition XXIII (Enforcement), Condition

[1] The word "Company" or "Companies" used throughout this report refers to the incumbent local exchange carriers ("ILECs") operating as Verizon telephone companies during 2006, collectively as follows: Contel of the South, Inc. d/b/a Verizon Mid-States, GTE Southwest Inc. d/b/a Verizon Southwest, Verizon California Inc., Verizon Delaware Inc., Verizon Florida Inc., Verizon Maryland Inc., Verizon New England Inc., Verizon New Jersey Inc., Verizon New York Inc., Verizon North Inc., Verizon Northwest Inc., Verizon Pennsylvania Inc., Verizon South Inc., Verizon Virginia Inc., Verizon Washington DC Inc., Verizon West Coast Inc., Verizon West Virginia Inc.

[2] *Application of GTE Corp. and Bell Atlantic Corp. for Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License*, CC Docket No. 98-184, Memorandum Opinion and Order, FCC 00-221 (rel. June 16, 2000).

[3] Condition IV (Non-Discriminatory Rollout of xDSL Services) sunset on June 30, 2006.

[4] Condition XII (Carrier-to-Carrier Promotions: Resale Discount) sunset on August 30, 2006.

[5] Condition XVII (InterLATA Services Pricing) sunset on March 31, 2006.

XXIV (Sunset), and Condition XXV (Effect of the Conditions) as set forth in Appendix D (the "Covered Merger Conditions"). [6]

The Company's internal controls have been designed to comply with the Merger Conditions. There are inherent limitations in any control, including the possibility of human error and the circumvention or overriding of the internal controls. Accordingly, even effective internal controls can provide only reasonable assurance with respect to the achievement of the objectives of internal controls. Further, because of changes in conditions, the effectiveness of internal controls may vary over time.

The Company has determined that the objective of the internal controls with respect to compliance with the Covered Merger Conditions is to provide reasonable, but not absolute, assurance that compliance has been achieved.

The Company has assessed its internal controls over compliance with the Covered Merger Conditions. Based on this assessment, the Company asserts that for the year ended December 31, 2006, its internal controls over compliance with the Covered Merger Conditions were effective in providing reasonable assurance that the Company has complied with the Covered Merger Conditions.

Verizon Communications Inc.

Robert Barish,

Senior Vice President & Chief Financial Officer
March 15, 2007

[6] This report does not address immaterial matters.

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INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors
Verizon Communications Inc.

We have examined Verizon Communications Inc.'s (the "Company" or "Verizon") compliance, during the period from January 1, 2006 through the earlier of the respective date of termination referenced below or December 31, 2006, with the following conditions set forth in Appendix D of the Federal Communications Commission's (the "FCC") Memorandum Opinion and Order in Common Carrier Docket No. 98-184[1] approving the Bell Atlantic/GTE Merger:

> Condition IV, *Non-discriminatory Rollout of xDSL Services*, which terminated on June 30, 2006;
>
> Condition XII, *Carrier-to-Carrier Promotions: Resale Discount*, which terminated on August 30, 2006;
>
> Condition XVII, *InterLATA Services Pricing*, which terminated on March 31, 2006;
>
> Condition VI, *Uniform and Enhanced OSS and Advanced Services OSS*, Condition XXI, *Compliance Program*, Condition XXII, *Independent Auditor*, Condition XXIII, *Enforcement*, Condition XXIV, *Sunset*, and Condition XXV, *Effect of Conditions*, including the requirements of Conditions XXI and XXII to the extent that they relate to the accuracy of the Company's annual compliance report for the year ended December 31, 2006; and
>
> Providing the FCC with timely and accurate notices pursuant to specific notification requirements relating to such conditions (the conditions described in this and the preceding four paragraphs above are collectively referred to as the "Specified Merger Conditions").

We also examined management's assertion included in the accompanying Report of Management on Compliance with the Specified Merger Conditions. Management is responsible for the Company's compliance with the Merger Conditions, and its assertion thereon. Our responsibility is to express an opinion on the Company's compliance with the Specified Merger Conditions based on our examination.

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[1] *Application of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, for Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License*, CC Docket No. 98-184, Memorandum Opinion and Order, FCC 00-221 (rel. June 16, 2000).

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Company's compliance with the Specified Merger Conditions, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Company's compliance with specified requirements.

In our opinion, the Company complied, in all material respects, with the Specified Merger Conditions during the period from January 1, 2006 through the earlier of the respective date of termination referenced above or December 31, 2006, including the requirements to file an accurate annual compliance report for the year ended December 31, 2006 and to provide the FCC with timely and accurate notices pursuant to specific notification requirements relating to the Specified Merger Conditions for such period.

This report is intended solely for the information and use of the management of the Company and the FCC and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

March 15, 2007

Robert Barish
Svp & Chief Financial Officer

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Report of Management on Compliance with Merger Conditions IV, VI, XII, XVII, XXI, XXII, XXIII, XXIV, XXV

March 15, 2007

Management of Verizon Communications Inc. ("Verizon" or the "Company[1]") is responsible for ensuring that Verizon complies with the conditions set forth in Appendix D ("the Merger Conditions") of the Federal Communications Commission's ("FCC's") Memorandum Opinion and Order in CC Docket No. 98-184 approving the Bell Atlantic/GTE Merger.[2] Management's assertions that follow relate to compliance with Condition IV (Non-Discriminatory Rollout of xDSL Services)[3], Condition VI (Uniform and Enhanced OSS and Advanced Services OSS), Condition XII (Carrier-to-Carrier Promotions: Resale Discount)[4], Condition XVII (InterLATA Services Pricing)[5], Condition XXI (Compliance Program), Condition XXII (Independent Auditor), Condition XXIII (Enforcement), Condition

[1] The word "Company" or "Companies" used throughout this report refers to the incumbent local exchange carriers ("ILECs") operating as Verizon telephone companies during 2006, collectively as follows: Contel of the South, Inc. d/b/a Verizon Mid-States, GTE Southwest Inc. d/b/a Verizon Southwest, Verizon California Inc., Verizon Delaware Inc., Verizon Florida Inc., Verizon Maryland Inc., Verizon New England Inc., Verizon New Jersey Inc., Verizon New York Inc., Verizon North Inc., Verizon Northwest Inc., Verizon Pennsylvania Inc., Verizon South Inc., Verizon Virginia Inc., Verizon Washington DC Inc., Verizon West Coast Inc., Verizon West Virginia Inc.

[2] *Application of GTE Corp. and Bell Atlantic Corp. for Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License*, CC Docket No. 98-184, Memorandum Opinion and Order, FCC 00-221 (rel. June 16, 2000).

[3] Condition IV (Non-Discriminatory Rollout of xDSL Services) sunset on June 30, 2006.

[4] Condition XII (Carrier-to-Carrier Promotions: Resale Discount) sunset on August 30, 2006.

[5] Condition XVII (InterLATA Services Pricing) sunset on March 31, 2006.

XXIV (Sunset), and Condition XXV (Effect of the Conditions) as set forth in Appendix D (the "Covered Merger Conditions").[6]

Management has performed an evaluation of Verizon's compliance with the requirements of the Covered Merger Conditions for the year ended December 31, 2006 (the "Evaluation Period"). Based on this evaluation, we assert that, during the Evaluation Period, Verizon has complied with all requirements of the Covered Merger Conditions in all material respects as described below. In addition, Verizon provides the following information regarding compliance with the Merger Conditions.

IV. Non-discriminatory Rollout of xDSL Services

The Company complied with the requirements of this condition as described herein. In particular:

a. In each state where xDSL had been deployed in at least 20 urban wire centers by June 30, 2003, at least 10% of the urban wire centers Verizon deployed were from the Low Income Urban Pool for 36 months after this threshold was met. In each state where xDSL had been deployed by June 30, 2003 in at least 20 rural wire centers, at least 10% of the rural wire centers Verizon deployed were from the Low Income Rural Pool for 36 months after the threshold was met.
b. Verizon filed the 2006 quarterly status reports demonstrating compliance with this condition on May 1, 2006 and July 24, 2006.
c. This condition sunset on December 31, 2003 in states which had met the 20 urban or rural wire center threshold prior to the first status report being filed on January 30, 2001. The condition sunset on June 30, 2003 for those states in which Verizon did not meet the 20 urban or rural wire center threshold by June 30, 2003. In states where the 20 urban or rural wire center threshold was met between January 1, 2001 and June 30, 2003, the condition sunset 36 months from the date that the threshold was met.
d. All requirements of this condition sunset by June 30, 2006.

[6] This report does not address immaterial matters.

VI. Uniform and Enhanced Operational Support Systems and Advanced Services Operational Support Systems

The Company complied with the requirements of this condition as described herein. In particular:

a. The Company continued to offer uniform electronic OSS interfaces and business rules in the former Bell Atlantic and the former GTE service areas in Pennsylvania for 100% of the obligated access lines in that state.
b. The remaining obligations under Merger Condition VI sunset in 2005.

XII. Carrier-to-Carrier Promotions: Resale Discount

The Company complied with the requirements of this condition as described herein. The Company provided the required resale discount to all carriers unless the carrier proactively chose not to accept the discount, in accordance with the Merger Conditions.
This condition sunset on August 30, 2006.

XVII. InterLATA Services Pricing

Verizon complied with the requirements of this condition as described herein. In particular, each Verizon subsidiary providing interLATA long distance service to wireline residential customers within the United States during 2006 continued to have in effect an interLATA long distance offering that did not include mandatory, minimum monthly, or flat rate charges for interLATA service for the reporting period or until the sunset of the requirement.

This condition sunset on June 30, 2003, 36 months after the merger close date for each Verizon subsidiary providing interLATA long distance service to wireline residential customers in Puerto Rico, Micronesia, and within the United States in former GTE states other than the properties in Pennsylvania and Virginia.

In each of the former Bell Atlantic states, this condition sunset 36 months after Verizon obtained 271 authorization in the state. Specifically, this condition sunset for New York on January 3, 2003, for Massachusetts on April 26, 2004, for Connecticut on July 30, 2004, for Pennsylvania on September 28, 2004, for Rhode Island on March 3, 2005, for Vermont on April 30, 2005, for Maine on July 2, 2005, for New Jersey on July 4, 2005, for Delaware and New Hampshire on

October 5, 2005, for Virginia on November 9, 2005, and for Maryland, West Virginia, and Washington, DC by March 31, 2006.

All requirements of this condition sunset by March 31, 2006.

XXI. Compliance Program

Verizon complied with the requirements of this condition as described herein. In particular, Verizon provided accurate and timely reports to the FCC, as required by the condition, including its Annual Merger Compliance Report that was filed on March 15, 2006, which disclosed issues known at that time.

On June 1, 2006, Verizon's senior corporate officer responsible for oversight of Verizon's implementation of, and compliance with, the Merger Conditions in 2005 and early 2006, Verizon's Senior Vice President – Regulatory Compliance, presented merger compliance status to the audit committee of the Verizon board of directors. During 2006, Verizon reassigned responsibility for Verizon's merger compliance and appointed Robert J. Barish, Senior Vice President and Chief Financial Officer, as the senior corporate officer responsible for oversight of Verizon's implementation of, and compliance with, the Merger Conditions for the remainder of 2006 and going forward. Verizon consulted with the FCC staff on an ongoing basis regarding Verizon's compliance.

XXII. Independent Auditor

Verizon complied with the requirements of this condition as described herein. In particular, Verizon engaged Deloitte & Touche LLP, an independent auditor deemed acceptable to the FCC, for the 2006 Merger audit.

Deloitte and Touche LLP has not been instrumental during the past 24 months in designing all or substantially all of the systems and processes under examination in the attestation engagement.

The 2005 General Merger Conditions audit report was filed on March 15, 2006. Work papers were made available to the FCC staff at a Washington, D.C. location.

On April 21, 2006 the FCC Audit Staff accepted the 2006 detailed audit workplan presented by Deloitte & Touche LLP. The Company kept the FCC informed of matters required under the Merger Conditions. Verizon granted the independent auditors access to all books, records, operations, and personnel relevant to the conditions addressed in this report.

Report of Management on Compliance with Merger Conditions IV, VI, XII, XVII, XXI, XXII, XXIII, XXIV, XXV
March 15, 2007

XXIII. Enforcement

There has been no determination by the Chief of the Enforcement Bureau that Verizon failed to comply with the Merger Conditions during the effective period of any condition.

XXIV. Sunset

Merger Condition IV Non-discriminatory Rollout of xDSL Services, Merger Condition XII Carrier-to-Carrier Promotions: Resale Discount, and Merger Condition XVII InterLATA Services Pricing sunset in their entirety during 2006.

XXV. Effect of Conditions

Verizon followed the guidance of this condition in interpreting and applying the Merger Conditions and the relationship to state law.

Verizon Communications Inc.

Robert Barish,

Senior Vice President & Chief Financial officer
March 15, 2007